

25X1

NSC BRIEFING

[Redacted] 3 OCTOBER 1956

BACKGROUND--SUEZ DEVELOPMENTS

I. Canal Operations. Ships are still moving through the canal with few abnormal delays. The special insurance rates, which were charged on ships plying the canal after seizure, have now been partially reduced.

A. Since 14 September, when most non-Egyptian employees quit, an average of about 37 ships per day have moved through the canal. This compares with an average of 45 per day before the nationalization and an average of 40 per day thereafter.

NSA review completed

25X1

[redacted]

B. The Egyptian authorities now claim to have a total pilot force of over 200 on duty or in training. This figure is probably padded, and does not take account of the fact that, even among the trained pilots, relatively few are qualified to guide the

25X1

larger ships.

25X1

[redacted]

1. A Soviet pilot ~~took~~ <sup>GUIDED IN THE CRANE</sup> a ship ~~through~~ for the first time on 2 October. The Egyptians have indicated that Soviet personnel will not be used on American vessels if the US objects.

25X1

[Redacted]

II. Egyptian Military Activity. There have been no significant developments in the Egyptian military picture. (See Annex A). The specific whereabouts of the Soviet submarines believed operating in the Mediterranean is not known.

III. Soviet Activities. Soviet propaganda over the last two weeks has shown a stronger pro-Arab slant. One comment stated that, in the event of war over Suez, there was a danger of Israeli "provocations" against Egypt and other Arab states.

[Redacted]

25X1

25X1

Approved For Release 2003/07/30 : CIA-RDP79R00890A000700100034-2

Approved For Release 2003/07/30 : CIA-RDP79R00890A000700100034-2

25X1

[Redacted]

In addition to providing strong support for Egypt's compliance with Anglo-French military and economic pressures, the Soviet delegation may be expected to press for Security Council approval of Egypt's call for a 45-nation conference.

- 5 -

25X6

**Next 3 Page(s) In Document Exempt**